



Building bridges between
criminal justice & behavioral health
to prevent incarceration



California 2019-20 Budget Snapshot for CCJBH Interested Parties

This memo pulls relevant content from the Governor's proposed 2019-20 budget and summarizes it in areas of interest to CCJBH members and partners. To access the full Budget summary visit: <http://ebudget.ca.gov/FullBudgetSummary.pdf>

Themes

- Retains previous commitments to disciplined spending due to political uncertainty at the federal level and a likely future economic downturn.
- Seeks to achieve a solid fiscal foundation by eliminating debts, expanding the rainy day fund (to 15%) and paying down unfunded liabilities (\$13.6 billion).
- Makes strategic one-time investments aiming to help Californians, especially families and those with complex needs, manage the rising costs associated with living in this state, such as:
 - \$1.3 billion to spur housing development and expand state tax credits to develop both low and moderate income housing,
 - \$500 million for emergency shelters, \$25 million on-going to assist the homeless with disabilities apply for benefits and another \$100 million would further augment the Whole Person Care (WPC) pilots for individuals with severe mental illness, and
 - \$500 million to support the Working Families Tax Credit doubling the state's Earned Income Tax Credit to \$1 billion, \$500 million to build child care infrastructure and \$750 million to address barriers to full-day kindergarten.
- Addresses financial burdens by providing grant increases for the lowest income families served by the CalWORKS program to 50 percent of the federal poverty level, as well a number of initiatives to make health care more accessible including tackling the costs of prescription drugs and increasing subsidies to ensure more individuals can afford health care coverage through Covered California.
- Invests in education, increasing K-12 school funding by 3.46 percent including \$576 million for special education, and higher education would receive \$1.4 billion (\$942 million on-going) to support increased enrollment, improve time to obtain a degree, and a tuition freeze.

Of primary interest to the Council, there is a section in the introduction called ***Justice and Dignity*** where the Governor's proposed budget specifically calls out priorities consistent with CCJBH's work:

1. The importance of treating individuals with mental health conditions – from youth experiencing their first symptoms to adults that need intensive programs that provide integrated physical and behavioral health as well as social services including supportive housing - recognizing the importance of a robust continuum of care from prevention to recovery.
2. The necessity of providing opportunities for rehabilitation while incarcerated as well as promoting public safety by supporting local law enforcement training on use of force, de-escalation, and engaging with individuals experiencing a mental health crisis.
3. Acknowledging the link between homelessness, incarceration, and hospitalization noting the importance of investing in more shelters but including and providing on-going funding for system navigation services so that individuals experiencing the extreme stress of behavioral health challenges and homelessness have additional support to access much needed services and supports in a timely manner.

There is also a specific proposal included to expand the research capacity of CCJBH which includes a combination of one-time funds and on-going General Funds (GF). Additional investments would expand the current Medi-Cal utilization research program to include analysis of how rehabilitation and health care programming, especially substance use treatment, contributes to improved health and public safety outcomes upon re-entry. CCJBH would contract to develop and implement an evaluation framework to monitor and measure California's progress in reducing incarceration rates among those with behavioral health challenges. Once the framework is developed, additional research capacity at CCJBH will support the maintenance of the framework through on-going data analysis, producing regular trend reports to inform state policy and direct council priorities.

Proposals Related to the Intersection of Criminal Justice and Behavioral Health

Public Safety

State - Department of Corrections and Rehabilitation -

- The budget proposes \$12.6 billion for the department in 2019-20 with a continued focus on rehabilitation and returning all inmates from out of state. There is a projected inmate population of 128,334 with another average daily parole population of 48,701.
- \$475.3 million in GF will support inmate rehabilitation including improving inmate literacy. \$2.3 billion in GF will support prison medical care with an additional \$6 million to expand staffing and the use of telemedicine and \$1.8 million to support limited-term educational partnerships to support residency and internship positions.
- Of particular interest to CCJBH, as part of its 2019-20 Affordable Housing and Homelessness Plan, the budget includes \$4 million for the Integrated Services for

Mentally Ill Parolees program. In addition the budget provides resources to address aging infrastructure.

- The Division of Juvenile Justice (DJJ), which serves roughly 750 youth, has been proposed to be shifted to a new department within the Health and Human Services Agency to further support its mission of rehabilitation. DJJ is also proposed to receive \$2 million to provide matching funds for California Volunteers/ AmeriCorps federal grants which will support 40 half-time AmeriCorps members in organizations assisting youth released from the DJJ.

Local -

- ***Law Enforcement Training/Commission on Peace Officer Standards and Training (POST)*** – \$14.9 million in GF restores POST to its historical levels prior to the decline in fine and fee revenue which will allow POST to update and create new curriculum to support best practices in de-escalation and engagement with individuals suffering from mental illness or who are homeless. The Budget includes \$20 million in GF to make permanent a one-time augmentation included in the 2018 Budget Act for training on use of force and de-escalation and engaging with individuals experiencing a mental health crisis.
- ***2011 Realignment*** – The Community Corrections Subaccount (AB 109) has a base of \$1.311 billion, with growth funding estimated at \$102.3 million, a \$30 million increase over 2017-18.
- ***Prop 47*** – The Department of Finance estimates a net GF savings of \$78.5 million, which is a \$13.8 million increase over the estimated savings in 2017-18. Funds will be allocated consistent with current practice.
- ***Post Release Community Supervision*** - \$11.8 million for county probation departments is provided by the budget to supervise the temporary increase in population size of offenders on Post Release Community Service due to the implementation of Prop 57.
- ***SB 678*** – The budget proposes \$116.4 million to be available to support performance-based county probation programming.

Judicial Branch

The overall budget proposed is \$4.1 billion of which \$2.4 billion directly supports trial court operations. This includes \$75 million in GF to be spent over a 2 year period by the Judicial Council to fund the implementation, operation or evaluation of programs and efforts in 8 to 10 courts related to pre-trial decision-making. This supports work that began in 2014 through grants to probation departments to use risk assessment tools to manage pre-trial populations successfully, enhancing public safety while also efficiently using resources.

Health and Human Services

Overall the proposed budget aims to make health care more affordable and to make progress towards achieving universal coverage. There are bold initiatives such as increasing health care coverage for the middle class through Covered California and expanding Medi-Cal coverage for undocumented young adults 19-25 years of age. The Governor also proposes to address the rising costs of prescription drugs through transitioning all pharmacy services for Medi-Cal managed

care to a fee-for-service benefit which would help the state secure better prices by negotiating for a larger group of beneficiaries.

Mental Health –

- \$50 million GF to the Office of State Health Planning and Development (OSHPD) to increase training opportunities for workforce programs, there is also \$5.3 million on-going GF to hire mental health clinicians for higher education students but it is unclear which systems (i.e. CSU, CCC).
- \$25 million GF to better detect and intervene at young people's first episode of major mental illness, specifically psychosis. It is not clear who would administer the funds but most likely it is consistent with work and priorities at the Mental Health Services Oversight and Accountability Commission.
- \$100 million GF to further expand/support WPC Pilots with resources to support additional supportive housing for individuals with mental illness.
- Accelerate No Place Like Home Bond Funding for supportive multi-family housing for individuals with serious mental illness who are homeless or at-risk of homelessness, it not clear how these funds would be accelerated.
- Changes to 1991 Realignment Funds that are the result of a comprehensive effort in 2018 between counties and their stakeholders and the administration, will provide approximately \$70 million in FY 19-20 for county mental health programs. For more information about changes to Realignment, we suggest reviewing the Budget Analysis by California State Association of Counties at <https://www.counties.org/>

Social Services -

- CalWORKS received significant additional investments reflecting a key theme identified previously - supporting individuals and families who are financially struggling, among these an increase of \$455.4 million to raise grant levels to 50 percent of the 2019 projected federal poverty level.
- SSI/SSP monthly grant levels will rise by \$19 and \$29 for individuals and couples, respectively by 2020. The 2018-19 State Budget Act eliminated the SSI cash-out policy. SSI/SSP recipients under the cash out policy were not eligible for CalFresh benefits. To offset this, the Governor's budget provides \$86.7 million GF to support beneficiaries who would see a reduction to the food benefits.
- \$416.9 million (\$301.7 million in GF) for continued implementation of Continuum of Care Reform and the transition of youth in foster care from group homes to Short-Term Residential Therapeutic Programs.

State Hospitals –

- While the rate of referrals to the Department of State Hospitals for individuals deemed incompetent to stand trial (IST) has decreased, it continues to be a challenge and remain high, above 800 individuals in December 2018. The budget provides \$18.6 million in GF and 119.3 positions for the second phase of the Metro State Hospital secured treatment area expansion. When completed in 2019, it will provide a total of 236 additional secured forensic beds for the treatment of ISTs. The budget also includes \$12.3 million in GF to

support contracts for up to 74 additional jail-based competency restoration treatment beds through the county jail treatment programs.

- \$1.8 million and 8 positions to both expand partnerships with community colleges to increase capacity in existing psychiatric technician training programs and to establish a Forensic Psychiatry Residency program at Napa State Hospital.

Health Care Workforce Investment –

- The budget builds upon the 2017 investment of \$100 million over three years to support health care workforce initiatives at OSHPD with another \$33 million GF beginning in 20-21 to extend the program.

Homelessness

The proposed budget builds upon state efforts to address homeless in recent years, which has focused on investments in permanent supportive housing and temporary housing.

- This budget includes \$500 million in one-time GF to support local jurisdictions site and build emergency shelters, navigation centers and supportive housing.
- \$300 million is available for jurisdictions that establish joint regional plans to address homelessness, of which \$200 million will be distributed to federally designated areas and \$100 million to the eleven most populous cities in the state. To receive funds plans must include a regional collaboration between cities and counties and describe how a variety of funds are being used to support the homeless and provide housing in their regions (i.e. MHSA, Realignment, City and County funds).
- The remaining \$200 million will be available to jurisdictions that show progress towards developing housing and shelters, including permitting new supportive housing units or constructing emergency shelters and navigation centers.

The administration will also propose legislation to accelerate the construction of homeless shelters, navigation centers and new supportive housing units by allowing for a streamlined CA Environmental Quality Act (CEQA) process with accelerated judicial review of challenges to Environmental Impact Reports. In addition the Administration will develop a statewide policy for use of the Department of Transportation (CalTRANS) airspace (land located within the state's highway right-of-way limits used for non-transportation purposes) for emergency shelters.